25X

14 March 1958

MEMORANDUM FOR THE RECORD

SUBJECT: Resume of OCB Luncheon Meeting, 12 March 1958

PRESENT: Mr. Cutler, Mr. Dulles, Admiral Foster, Mr. Gray,

Mr. Herter, Mr. Scribner, Mr. Smith, Mr. Sprague,

Mr. Washburn, Mr. Staats

The Board recommended that the Secretary of Defense issue a statement reiterating the fact that damage or potential damage from nuclear materials was minimal, and pointing out that the news release of several weeks ago in which these points had been made had proved to be correct.

2. Representative of the Joint Chiefs of Staff

With further reference to the discussion at last week's meeting, it was agreed that a representative of the JCS would be invited to attend the regular Board meetings, but not the luncheon meetings.

State Department review completed

25

3. Indonesia

The DCI gave a briefing on late developments in connection with the Indonesian rebellion.

4. Indian Thorium Nitrate

The paper from the State Department posing the problem connected with the disposition of thorium nitrate produced by India was discussed. It was pointed out that we have been buying the Indian production of this mineral since 1955, but that the AEC is no longer willing to purchase it, nor is the Office of Defense Mobilization willing to certify it as an item for the U.S. strategic stockpile. Further, it is doubtful whether this material is tremendously important to the Soviet Union, in view of the latter's own production and imports from North Korea, plus the fact that it is not necessarily the best source of plutonium. On the other hand, the Battle Act specifically lists in category 1.a. "nuclear materials", and the AEC takes the position that thorium nitrate must clearly be so described. Therefore, should we not purchase the entire Indian output, and they should sell some of it to the Soviet bloc, the U.S. would be required to cease immediately all economic aid to India. It was decided to refer the problem to the Council on Foreign Economic Policy.

5. Detection of Underground Explosion

Mr. Cutler commented on the recently-announced mixup with regard to the extent of detection of last summer's underground nuclear tests in Nevada. He pointed out that at the time the AEC

25X

ALLEN W. DULLES

Distribution: Orig - DCI files 1 - DDCI

1 - BA/OCB